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Rural Real Estate Tax Delinquency In New Hampshire

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Rural Real Estate Tax Delinquency In New Hampshire*

By H. C. GRINNELL

During the first three and one-half months of 1934 the Bureau of Agricultural Economics, Washington, D. C., under a Civil Works project, in coöperation with the Agricultural Experiment Stations collected data relative to tax delinquent rural real estate and land values for the six-year period from 1928 through 1933. This project was conducted under the direct supervision of Eric Englund, assistant chief of that bureau.

It is the purpose of this bulletin to present a general summary of the data collected, tabulated and summarized for New Hampshire, which formed a part of this nation-wide project.

Method of Procedure

A state supervisor was appointed to keep the field workers informed and direct the office workers in the tabulation and summarization of the data. A county leader and two or three assistants were appointed in each county. A record was made of the advertisements and sales of farm real estate from the records in the county office of the Register of Deeds. These were then supplemented and completed when possible from the town books, this latter work being carried on largely by the county leader. Records were obtained only for rural properties of three acres or more, unplotted and lying outside of a precinct or central district. Although taxes in New Hampshire are delinquent if not paid by December 1, from which date interest is generally charged, the records for this project for the most part are based on those delinquencies advertised and reported to the county Register of Deeds. Two counties varied from this procedure. The Sullivan County reports included those properties on which taxes had not been paid on the date from which penalties were charged. With very few exceptions this was from December 1, which by statutory provision is the date from which 10 per cent interest is charged on all unpaid taxes. Merrimack County reports included all properties on which there was any indication that the taxes had not been paid by December 1, the due date, regardless of whether the local officials followed the usual practice of charging interest from this date to the time of payment. Thus the delinquency in these two counties appears weighty and their summaries will be treated separately. Due to the fact that there is no set date when real estate must be advertised or sold, extreme variations exist in the other eight counties with respect to the length of time that had lapsed be-

* Special recognition is due W. W. Cheever, who was State Supervisor of this project during the first 11 weeks, and to the county and town officials who so courteously assisted in making the information available to the field workers. Recognition is also due the field and office employees who so conscientiously worked in an effort to make the project a success. The writer is also indebted to representatives of the State Tax Commission for valuable advice.

tween December 1 and the date of advertising. This also makes the summaries less comparable. For these reasons this circular will emphasize the trends in delinquency rather than the actual extent of delinquency.

Extent of Survey

Records were obtained in every county. Of the 235 incorporated towns 216 or 92 per cent were surveyed. All of the towns in seven counties were completed. Hillsborough County was completed with the exception of the urban townships of Manchester and Nashua, and Merrimack County with the exception of the urban townships of Concord and Franklin. Only 59 per cent of the towns in Rockingham County were surveyed. Data for the year 1933 were incomplete for many towns because delinquent properties had not generally been advertised and reported to the county Register of Deeds during the early stages of this project.

The New Hampshire Real Estate Tax System

More than three-fourths of the average New Hampshire town and city dollar comes from property taxes. Thus, taxes levied against farm real estate is a major source of revenue in rural towns. State statutes provide local tax collectors with powers to collect such taxes as are levied upon polls, estates, and other classes of property. Upon neglect or refusal of tax payers to pay the taxes assessed against them, the collector is authorized and required to distrain such property and sell at public auction in satisfaction of the taxes due.

All real estate is held for taxes assessed against the owner, and such liens continue until one year from July 1 following the assessment. Under recent emergency laws the period of the town lien was extended to October 1 for the years 1933 to 1936 inclusive. State laws provide that tax collectors may advertise and sell delinquent real estate at any time between December 1 of the year of levy and the expiration of the lien. Within these limits collectors have a right to use their own judgment as to the time of sale, but in all cases they must post advertisements at least four weeks previous to the date of sale. If persons against whom the property is assessed do not appear and discharge the taxes plus costs and 10 per cent interest from December 1, then the collector must proceed to sell at public auction as stated in the advertisement. After sale any delinquent tax payer may redeem his property by paying the purchaser the amount for which the land was sold plus costs and 12 per cent interest on the entire amount from the time of sale. A more recent law was enacted in 1931 whereby it has been made mandatory upon the tax collector to execute a deed after two years from the date of sale. The main reason for this was to prevent the accumulation of properties held by the towns and cities which had resulted in many cases in temporarily removing a large amount of property from the tax yielding class. The result has been the liquidation of many of these frozen assets (amounting in 1934 to approximately $16,000,000) and its replacement upon the tax list again as property paying its own way. This has been done either by reselling properties acquired through tax collector deeds to the original owners on some plan mutually advantageous to the town and the former owner, or by sale at public auction to the highest bidder. In such a case all of the proceeds go into the

town treasury and the property is again listed on the assessors' books in the name of the new owner.

Until recent years many individuals were buying real estate either for the purpose of acquiring it or of securing a return on their investment guaranteed to them under the state laws. Many instances of unfair charges imposed upon delinquents were perpetrated by these individual buyers and naturally no consideration was shown to the delinquent if the buyer had in mind the ultimate acquisition of the property. As a result many persons lost their homes and in some cases became town or county charges. On the other hand, when the town becomes the purchaser of a tax lien, the selectmen have the right to abate the tax costs for good reason. If the property is not redeemed and no abatement is made, and a deed passes to the town, this does not mean that the former owner is ejected from his home. On the contrary the town gives him the right to remain as a tenant at a nominal figure and in many cases permits him to repurchase his property on a rental purchase plan. Such sales are frequently made back to the original owner for no more than the taxes and costs involved. Over three-quarters of the towns are now operating on this plan. To assist local officials in solving their tax delinquency problems the commission has been provided with the services of an agent under the municipal accountant. Under his guidance collectors are urged to keep transactions in connection with tax sales in conformity with statute so that tax deeds for property taken by the town may be valid.*

Previous to 1930 over 90 per cent of all taxes assessed by towns and cities were collected within the year in which they were assessed. This declined to 81 per cent in 1933, which is conceded to be better than other parts of the country. However, in this same year the current collections plus back taxes collected exceeded the total levy, and the increase in uncollected taxes was small. This would indicate a decided improvement. The record of tax collections from 1928 to 1933 follows:

Year	Taxes Assessed	Taxes collected		Back taxes collected
		Amount	Per cent	
1928	$17,919,716	$16,308,248	91.0	$1,472,385
1929	17,953,613	16,448,407	91.6	1,424,653
1930	18,301,895	16,386,227	89.5	1,595,280
1931	18,618,873	16,330,394	87.7	1,990,411
1932	16,892,668	13,905,623	82.3	2,249,118
1933	15,894,369	12,894,877	81.0	3,124,370

Effect of Irregularities in Local Practices on This Project

Field men were requested to report any irregularities or peculiarities in local practices which they observed while obtaining data in the various towns. Although this request was not strictly adhered to by all workers, a summary of the available observations is sufficient to indicate the lack of uniformity between towns with respect to the collection of property taxes. Although state laws are specific, tax collectors and other town officials have not uniformly obeyed them.

* Twenty-fourth annual report of the State Tax Commission.

Lost Tax Books. During the period from 1928 to 1933 some towns had several different tax collectors. In other towns the collector had held office for many years, in one instance 50 years. Many collectors considered the tax books their own personal property and kept them as such after their term of office had expired. This fact accounts for a few lost tax books and a lack of completed data for this study, more particularly during the earlier years. In some cases it also necessitated calling on many collectors in order to get complete records for the six years. More frequently, however, the tax books were carefully preserved in the vault of the town hall, where they were easily accessible. As delinquency was largely measured by the tax advertisements tabulated from the reports found in the Register of Deeds' office, lost tax books affected more the supplementary data such as assessed values and penalties rather than the actual extent of delinquency.

Uniformity and Completeness of Tax Books. One county supervisor reported that all town records were uniformly kept throughout the county. In other counties reports indicate varying completeness and accuracy among tax collectors regarding the system of recording collections. It is encouraging to find that most of the poorer records were in the earlier years and that during the past few years the systems have been improved and are much more uniform—a result of better instructions. In some instances the names of property owners were not listed alphabetically, thus requiring a considerable amount of time in finding the names of delinquent tax payers. For collection purposes the non-resident and resident taxpayers are usually grouped separately in the tax collector's warrant book. The local tax and inventory books contain numerous separate classifications of property, but in no instance did they contain a classified property list from which could readily be deducted the total amount of taxes assessed against rural real estate and thereby show the relative importance of rural delinquency to the respective towns. In the absence of such a classification, it is difficult to analyze delinquency with respect to the type of lands and class of people most affected. Many tax books had inadequate information concerning penalties. Some town inventories contained no record of acreage on certain properties. Acreage was reported for only 93 per cent of the delinquent properties and is thereby not strictly comparable to the number of properties or to the total amount of delinquent taxes.

Irregularities in Advertising and Sale. Irregularities were more common with respect to the advertising and sale of real estate in satisfaction of delinquent taxes. Some town officials are opposed to the town becoming a purchaser of tax liens on the grounds that they don't want the property but the unpaid taxes. However, the majority of town officials favor such a procedure. One tax collector who had held office for many years never advertised or sold a piece of property before 1932. Many other towns have allowed delinquencies to run from year to year after advertising without sale, and still others continue to sell property over and over even though it is not redeemed. A few towns were reported as having gone to the other extreme of buying in taxes before January 31 in order to show on their yearly financial statements to the Tax Commission a minimum of uncollected taxes. In one instance, after delinquent taxes are posted, one must pay them to the treasurer, a procedure contrary to statutory law, which provides that all redemption be made through the tax collector. Occasionally a town

would advertise and sell delinquent properties assessed against non-residents sooner than those assessed against residents. While at one time the tax laws differentiated between resident and non-resident property owners, all are now required to be treated alike with respect to the levying and collecting of taxes. On these and many other points, the State Tax Commission has been for the past few years waging a campaign of education which is bringing about good results.

Some towns advertised as late as June following the year of levy. Obviously the longer a collector waits to advertise delinquent properties, the more likely will an appreciable number of these delinquencies be paid before the date of advertising, and the less likely is it that these delinquencies will be paid beween the date of advertising and the date of sale. Thus, when tax delinquency and tax sales are measured by those properties reported to the County Register of Deeds, the results are not comparable between tax units.

Penalties Not Always Enforced. Whereas most town officials comply well with the State statutes concerning penalties, others either make no charge or vary from the State laws with respect to applying these penalties. Most towns have regularly collected interest from December 1 on taxes levied against property not advertised or sold. A few towns charged interest from some later date, and others failed to penalize the tax payer if the taxes were paid before the property was advertised. In other cases there was no charge for carrying the property after sale, taking only the amount due at the time of sale. In one instance the collector charged some tax payers 10 per cent interest and others nothing. In another instance, each delinquent was charged the same amount of interest plus costs regardless of the amount of taxes due, and then the property was sold on this basis. The selectmen in two towns ruled that no interest was to be charged anyone whose taxes were paid before sale, and in another instance they ruled out the interest charge at the time of redemption after sale. All of these variations affect the amount of delinquent taxes for which the property is advertised or sold. Through the joint efforts of the Tax Collectors' Association and the State Tax Commission a decided improvement has been made in the matter of enforcing the collection of interest on delinquent accounts. In some instances town meetings and boards of selectmen have assumed the powers vested in the Legislature and have attempted to either set their own rates of interest or to instruct the collector to waive all interest collections. When these cases have been reported to the Tax Commission corrective measures have been taken and the State law cited for the instruction of the town officials and others concerned.

Tax Deeds. Towns in general have been reluctant to execute deeds of real estate sold and not redeemed. Most delinquent properties were held under tax title until 1932 when it became mandatory that tax collectors deliver a deed for all real estate sold for non-payment of taxes in 1930 or prior to that date, the results of which have been previously explained.

Despite these irregularities the records of many towns were complete, systematic. and accurate. Many collectors were found to be zealous in discharging their duties in strict conformity with the statutes. The State Tax Commission has found a very evident willingness on the part of many

of the town officials to coöperate in every way in the assessment and collection of taxes with the single purpose in mind of bringing into the town the revenue that was justly due and, at the same time, making payments as easy as possible for the taxpayer, especially if through some unfortunate circumstance he became a delinquent.

Relative Agricultural Importance of Counties

The relative agricultural importance of the area surveyed with respect to number of farms, land area in farms and the amount of taxes paid on all farm property, including both real and personal, is shown in Table 1, by counties. Towns in the three counties of Grafton, Hillsborough, and Merrimack comprise 43 per cent of all the farms, 45 per cent of the land area in farms and receive 43 per cent of all the taxes paid by the farmers in the 216 towns. Belknap, Carroll, and Strafford Counties are of much less importance agriculturally, containing only 20 per cent of the farms—less than one-half of the former three counties. The 216 towns surveyed, representing 92 per cent of all the towns in the State, contain 91 per cent of all the farms, 94 per cent of the land area and collect 91 per cent of all the property taxes paid by New Hampshire farmers.

These census data explain the relative agricultural importance of the areas surveyed and in general account for some of the variations in delinquency and tax sales, but for obvious reasons should be applied cautiously when used as a base for drawing conclusions from subsequent summaries.

TABLE 1. *The total number of farms, all land in farms and taxes on all farm property, for 216 towns included in this survey, by counties, from the 1930 census.*

County	Number of farms	All land in farms (acres)	Taxes on all farm property (dollars)
Belknap	668	89,344	68,515
Carroll	854	119,465	93,136
Cheshire	934	128,484	118,568
Coos	1,047	177,127	148,148
Grafton	1,786	294,935	224,219
Hillsboro	1,699	196,326	211,759
Merrimack	1,599	216,041	176,621
Rockingham	1,365	100,585	162,942
Strafford	820	87,310	86,554
Sullivan	1,166	152,582	118,328
216 towns	11,938	1,562,199	1,408,790
State total	13,090	1,668,696	1,542,018

Tax Delinquency

It has previously been explained that, with the exception of Merrimack and Sullivan Counties, tax delinquency pertains to those properties advertised for sale and reported to the County Register of Deeds. A brief examination of the individual schedules reveals the nature of this delinquency as it relates to the taxpayer. Most of these property owners were delinquent

for more than one year of levy but only for one year at a time. In other words, most of the delinquency was paid before the following levy became delinquent. This means that much of the annual delinquency is not new but rather is repeated year after year, and thus mostly of short duration. The annual increase is a better measure of new delinquency.

Extent of Delinquency and Trends

The total value of rural real estate tax delinquency in all counties except Merrimack and Sullivan increased from $81,596 in 1928 to $176,483 in 1931, the peak year, mounting at the rate of nearly $32,000 per year (Table 2). This was an increase of 116 per cent in the amount of delinquent taxes, 92 per cent in the number of properties and 120 per cent in acreage. The greatest increase for any one year was for the 1931 levy when the number of delinquent properties increased 46 per cent over the previous year, the acreage 68 per cent, and the amount of delinquent taxes 61 per cent. The 1931 increase accounts for approximately two-thirds of all the increase from 1928 to 1932. The decline for 1932 was not so pronounced in the number of delinquent properties or acreage as in the amount of delinquent taxes, the percentage declines being 2.6, 5.6, and 16.0 respectively. The delinquency per acre for 1932 declined from 77 cents to 69 cents and the delinquency per property from $70 to $60, while the assessed value per acre actually increased from $21.56 to $22.47, and per property from $1,942 to $1,963. The percentage distribution of various classes of land was approximately the same for both years. All this indicates that the lighter delinquency in 1932 cannot be attributed to a decline in values or to a shift from poorer to better lands. More likely it is due to a decline in the average tax rate, which for 1931 and 1932 was respectively $2.90 and $2.77 per $100 valuation.

If these 177 towns are considered as representative of the State as a whole, the total rural real estate advertised for taxes in 1932 would amount to approximately 260,000 acres of land and involve nearly $180,000 of tax money.

TABLE 2. *Total tax delinquency of advertised rural real estate, eight counties* by year of levy, 1928 – 1932.*

Year of levy	Properties involved			Amount of delinquent taxes
	Number	Acres**	Assessed** valuation	
			(dollars)	(dollars)
1928	1,324	103,922	2,285,294	81,596
1929	1,524	125,725	2,812,248	92,782
1930	1,743	135,881	3,044,416	109,688
1931	2,538	228,643	4,929,791	176,483
1932	2,471	215,945	4,851,689	148,287

* Includes 177 towns which comprise 92 per cent of the towns in all counties except Merrimack and Sullivan, and 75 per cent of all the towns in the State.

** Acreage and assessed valuation are for identical properties but represent only 90 per cent of the total properties.

Delinquency in Merrimack County represents all properties on which taxes were not paid by December 1 of the year of levy. This is the only county which reported reliable data for all towns for the year 1933. It is also the only county which showed a decline in delinquency in 1931 over 1930. The amount of delinquency increased over $6,000 per year until 1930, and over $5,000 per year from 1931 to 1933. By 1933 the amount of delinquent taxes had increased 43 per cent over 1928, the acreage 50 per cent and the number of delinquent properties 65 per cent. These figures for 1933 and the completed data for many scattered towns would indicate an increase in delinquency over 1932 for the State as a whole.

The increase in delinquency in Sullivan County as measured by all properties on which penalties were charged was similar to that in Merrimack County for the five-year period from 1928 to 1932. The amount of delinquent taxes and the acreage increased 34 per cent and the number of delinquent properties increased 42 per cent during this period.

TABLE 3. *Total tax delinquency of rural real estate, Merrimack* and Sullivan Counties by year of levy.*

Year of levy	Properties involved			Amount of delinquent taxes
	Number	Acres**	Assessed valuation**	
	Merrimack County as of December 1			
1928	814	75,057	1,366,105	42,597
1929	853	75,686	1,459,788	48,655
1930	922	80,432	1,724,672	54,837
1931	859	80,841	1,652,255	50,690
1932	1,112	97,048	2,064,597	55,998
1933	1,346	112,798	2,293,764	60,713
	Sullivan County as of date from which penalty is charged			
1928	431	44,743	889,825	26,998
1929	401	44,635	917,935	25,089
1930	518	52,127	1,021,005	30,863
1931	613	63,653	1,159,715	32,684
1932	613	60,048	1,155,573	36,289

By means of index numbers, Table 4 shows the trend in tax delinquency for each county from 1928 to 1932. (See also Appendix A.) In 1929 the four counties, Grafton, Rockingham, Strafford and Sullivan, and in 1930 Strafford County, showed a decline in tax delinquency below 1928. Carroll County is the only one in which delinquency had more than doubled by 1930. In 1931 delinquency in five counties had more than doubled, including Carroll, where delinquency was nearly five times as great as in 1928, and Hillsboro over three times. In only three counties, Carroll, Cheshire and Hillsboro, had delinquency more than doubled by 1932. The delinquency in 1932 declined below that of 1931 in seven of the ten counties.

* All towns except Concord and Franklin.

** Acreage and assessed valuation are for identical properties but represent 98 per cent of the total properties in each case.

TABLE 4. *Index numbers of the value of tax delinquency by counties and year of levy, 1928 – 1932*

1928 = 100

County	1928	1929	1930	1931	1932
Belknap	100	160	143	240	187
Carroll	100	187	320	483	417
Cheshire	100	151	141	249	218
Coos	100	119	126	187	164
Grafton	100	96	134	201	148
Hillsboro	100	120	165	314	232
Merrimack	100	114	129	119	131
Rockingham	100	99	111	160	189
Strafford	100	93	77	184	133
Sullivan	100	93	114	121	134
All counties	100	110	129	172	159

Relative Importance of Delinquency

It has been explained previously that the information now available from the schedules will not permit a method of accurately showing the relative importance of tax delinquency between counties. This could best be done by computing the delinquent taxes as a percentage of the total taxes levied against rural real estate. As properties are not classified in the town tax books, it would be a considerable task to obtain the total rural taxes levied. This was not attempted in this survey. However, an attempt is made in Table 5 to show in a crude way the relative importance of tax delinquency for 1932 by taking those delinquent properties classified as "farm land with buildings" as a per cent of the number of farms as given in the 1930 Census. Although properties classed as farms in the census figures are not strictly of the same category as farms used in this study, the table does indicate in which counties rural tax delinquency is more significant. On this basis, one-fourth of the farms in Coos County, and approximately one-fifth of the farms in Belknap, Grafton and Rockingham Counties, were advertised

TABLE 5. *The total number of farms, number of tax delinquent farms, and the per cent of farms delinquent by counties, year of levy 1932*

County	Number of farms*	Number of delinquent farms**	Per cent of farms delinquent
Belknap	766	145	19
Carroll	981	105	11
Cheshire	1,102	185	17
Coos	1,205	305	25
Grafton	2,077	435	21
Hillsboro	1,860	287	15
Rockingham	1,417	303	21
Strafford	951	90	9
Eight counties	10,359	1,855	18
Merrimack	1,735	842	49
Sullivan	1,330	503	38

* As reported in the 1930 Census of Agriculture for towns included in this survey.
** Represents the number of delinquent properties classified as "farm land with buildings."

for sale because of non-payment of taxes. Only Strafford County had *less* than 10 per cent of its farms advertised. In Merrimack County taxes had not been paid for 49 per cent of the farms by December 1, the due date. Delinquency in Sullivan County, as of the dates from which interest was charged, amounted to 38 per cent of the farms. The delinquency in these latter two counties obviously does not indicate a proportionately greater delinquency than the group of eight counties, but rather shows that a large proportion of delinquent taxes are paid before advertising.

TABLE 6. *The percentage of the total number of properties, total acreage and total assessed value of tax-delinquent farm lands, represented by each class of land, by counties, year of levy 1932*

County	Farm land with buildings	Farm land without buildings	Forest land and woodlots
	Percentage of properties		
Belknap	76.3	15.8	7.9
Carroll	80.2	13.7	6.1
Cheshire	75.8	20.9	3.3
Coos	88.4	4.6	7.0
Grafton	76.9	11.3	11.8
Hillsboro	75.1	13.1	11.8
Merrimack	76.3	17.6	6.1
Rockingham	81.2	16.4	2.4
Strafford	48.4	26.3	25.3
Sullivan	82.3	11.5	6.2
All counties	77.4	14.6	8.0
	Percentage of acreage		
Belknap	77.5	14.0	8.5
Carroll	78.1	9.7	12.2
Cheshire	75.1	18.7	6.2
Coos	77.4	12.0	10.6
Grafton	75.7	7.4	16.9
Hillsboro	78.7	12.1	9.2
Merrimack	80.5	13.7	5.8
Rockingham	84.2	13.3	2.5
Strafford	58.0	16.6	25.4
Sullivan	87.6	7.5	4.9
All counties	79.2	11.4	9.4
	Percentage of assessed value		
Belknap	87.6	6.3	6.1
Carroll	89.6	6.2	4.2
Cheshire	88.7	7.4	3.9
Coos	88.2	5.1	6.7
Grafton	82.1	6.1	11.8
Hillsboro	87.1	5.2	7.7
Merrimack	92.1	5.7	2.2
Rockingham	95.3	4.0	0.7
Strafford	74.4	11.3	14.3
Sullivan	93.1	4.0	2.9
All counties	89.2	5.5	5.3

Delinquency Classified

When filling out the schedules the field employees were required to record the type of property and whether or not there were any buildings. With this information lands were classified into three general groups: farm land with buildings, farm land without buildings, and forest land. Table 6 shows the relative importance of these three classes of delinquent lands for 92 percent of the delinquents in 1932. The remaining records were omitted either because the type of property could not be ascertained from the brief description or because the acreage or assessed value was lacking. Although delinquency in Merrimack and Sullivan Counties is calculated on a different base, the percentage distribution of classes of property has been assumed to be similar. Since these percentages do not appear out of line with those for other counties, it might be assumed that the percentage distribution of the different classes of delinquent properties at the time of advertising is similar to that when taxes come due.

More than three-fourths of the delinquent properties in each county except Strafford were classed as farm lands with buildings. In Strafford County slightly less than one-half of the delinquent properties were of this class, the remainder being about equally divided between farm land without buildings and forest land. Farm lands without buildings included such properties as fields, pasture lots, cut-over lands, marshes, swamps, wild lands and the like. Many of these were doubtless a part of a farm but assessed and taxed in a town other than the one in which the owner was located. This is also true of some of the forest lands and woodlots. Only two counties, Cheshire and Strafford, had more than 20 percent of their delinquent properties in farm lands without buildings. Three counties, Grafton, Hillsboro and Strafford, had more than one-tenth of their delinquent properties in forest lands.

Acreage was distributed in these three classes of lands in a similar manner. Considering all counties, a somewhat larger percentage of the acreage was in the classes of farm land with buildings and forest land and a smaller percentage in the class of farm lands without buildings. Nearly nine-tenths of the assessed value of tax-delinquent lands was represented by farm land with buildings, the remainder being nearly equally divided between forest land and farm land without buildings. Over 90 per cent of the delinquent lands in Merrimack, Rockingham and Sullivan Counties had buildings attached. Although less than one-half of the delinquencies in Strafford County were of this type, the assessed value of this group of lands comprised about three-fourths of the assessed value of all the delinquent lands.

Table 7 shows the acres per property, assessed value per property and assessed value per acre according to the type of land, for the same delinquencies as were included in Table 6. Delinquent forest lands were of a greater acreage than other classes of land, averaging 102 acres per property compared with 96.5 acres and 72.3 acres respectively for farm land with buildings and without buildings. Delinquent lands with buildings averaged the smallest acreage in Hillsboro and Strafford Counties, but in each case the average size of property exceeded that of either the land without buildings or forest land. Coos County showed the highest acreage per property for farm lands without buildings and for forest land. This acreage was heavily weighted by a few large tracts.

TABLE 7. *Acres per property, assessed value per property, and assessed value per acre of tax delinquent farm lands by counties and by class of property, year of levy, 1932*

County	Farm land with buildings	Farm land without buildings	Forest land and woodlots
	Acres per property		
Belknap	95.9	80.9	101.0
Carroll	73.5	48.2	137.0
Cheshire	91.4	79.2	161.2
Coos	135.0	444.6	308.0
Grafton	139.4	90.3	197.6
Hillsboro	66.6	59.8	50.7
Merrimack	93.7	192.9	81.7
Rockingham	73.9	42.3	57.7
Strafford	45.4	34.9	43.9
Sullivan	105.7	63.5	78.9
All counties	96.5	72.3	102.0
	Assessed value per property		
Belknap	$2,042	$684	$1,377
Carroll	2,693	980	1,489
Cheshire	2,159	622	2,003
Coos	2,491	3,055	3,168
Grafton	347	1,412	2,602
Hillsboro	2,399	841	1,378
Merrimack	2,296	613	668
Rockingham	1,643	498	481
Strafford	2,829	586	647
Sullivan	135	648	886
All counties	$1,735	$771	$1,297
	Assessed value per acre		
Belknap	$21.30	$9.55	$13.63
Carroll	36.62	20.32	10.87
Cheshire	23.61	7.86	12.42
Coos	18.45	6.87	10.28
Grafton	20.41	15.63	13.17
Hillsboro	36.05	14.06	27.19
Merrimack	24.50	8.88	8.17
Rockingham	62.24	16.79	14.73
Strafford	22.24	11.77	9.81
Sullivan	20.43	10.21	11.24
All counties	24.85	10.66	12.42

Assessed value per property does not vary in proportion as the acreage increases or declines. The assessed value of delinquent farm land with buildings averaged $1,735 per property, more than double that of farm lands without buildings and one-third more than forest lands. The highest assessed value per property was in the forest lands of Coos County, averaging $3,168, which is further evidence that many delinquent properties were large tracts. The assessed value of this land is $10.28 per acre compared with an average of $12.42 for all counties. Farm land without buildings had an average assessment of $10.66 per acre, less than one-half that of farm land with buildings. The highest assessed value per acre of these tax-delinquent lands was for farm land with buildings in Rockingham

County, averaging $62.24. The comparatively high values of land without buildings in Carroll and Grafton Counties are doubtless due to many nearby summer resorts. Other counties in which this class of land exceeded forest lands in assessed value per acre were Merrimack, Rockingham and Strafford.

Tax Sales

A tax advertisement is a notice of sale. Tax sales arise when property owners do not discharge the delinquent taxes before the notice of sale expires, which, according to statute, cannot be less than four weeks from the date of posting. Extreme variations in the time lapsed between December 1 and the date of sale affect the extent of sales and make the data less comparable between tax units, but to a lesser degree than in case of delinquency. Whereas the year applied to tax delinquency was the year of levy, that applied to tax sales is the year in which the sale actually occurred, this being the year following that of levy. In all instances tax sales are those reported to the County Register of Deeds. Because the delinquent properties were not yet advertised for the 1933 levy and the data for delinquencies were consequently not yet available for this study in its early stages, some field workers failed also to record the tax sales. Thus the schedules are complete only for the years 1929 through 1932.

Like delinquency, tax sales represent many properties which are sold repeatedly for two or more years, the property owner having redeemed the property during each year in which it was sold before being sold again. The amount of tax sales then is not a measure of new sales.

Extent of Tax Sales and Trends

When rural real estate is sold for taxes the value of that sale represents the original tax levy plus interest and incidental charges. Mounting at the rate of over $23,000 per year from 1929, the value of tax sales for 92 per cent of the New Hampshire towns amounted to $123,791 in 1932, the peak year, nearly two and one-half times that of 1929. (Table 8 and Appendix B.) Relatively, tax sales were increasing faster than tax advertisements. The greatest increase in any year over the previous year occurred in 1931 when tax sales exceeded that of 1930 by nearly one-half. These facts are consistent with tax delinquency which showed a peak year for the 1931 levy and the greatest annual increase for the 1930 levy. Although the towns in Grafton County were consistently the largest buyers of rural lands, these purchases may not be proportionately greater. Approximately three-fourths of the value of the 1932 tax sales were in the five counties, Coos, Grafton, Hillsboro, Merrimack, and Rockingham. Tax sales for 1932 were more than four times the 1929 figure for Merrimack County and more than three times as great in Cheshire County. In only the three counties, Belknap, Carroll and Rockingham, did tax sales less than double during this period. In a few instances, because of interest and other charges, and because few or none of the properties advertised had been discharged before sale, the value of tax sales exceeded the amount for which the properties were advertised.

The general trend in the number of properties sold and in the acreage involved is similar to that for the value of the sales.

TABLE 8. *Index of value of tax sales of rural real estate by counties and year of sale, 1929 – 1932.*
1929 = 100

County	1929	1930	1931	1932
Belknap	100	116	160	117
Carroll	100	121	358	194
Cheshire	100	129	220	328
Coos	100	71	146	261
Grafton	100	133	177	259
Hillsboro	100	163	297	242
Merrimack	100	229	266	408
Rockingham	100	109	112	142
Strafford	100	89	98	254
Sullivan	100	99	198	284
All counties	100	125	185	232

There were 1,741 properties sold in the 216 towns in 1932 comprising an area of 158,907 acres of rural lands, compared with 868 properties and 70,586 acres in 1928. (Appendix B.) More than one-third of the acreage sold was consistently in Grafton County alone. Had all the towns in the State been surveyed, the figures for 1932 would doubtless have shown tax sales to exceed 172,000 acres of land and nearly $135,000 in value.

Relation of Sales to Delinquency. Variations between counties and towns with respect to the proportion of advertised delinquencies paid before sale can be partially accounted for by the length of time lapsed between December 1 and the date of advertising. Obviously the longer a collector delays the posting of delinquent properties the less likely will an appreciable number of these properties be discharged before sale. In 1931 two-thirds of the properties advertised in all counties except Merrimack and Sullivan were sold. (Table 9.) In other years the range was 55 to 57 per cent. More than nine-tenths of the properties posted in 1931 in Belknap and Hillsboro Counties were sold and less than one-half in Strafford County, five other counties ranging between these extremes. In Merrimack County in 1932, 20 per cent of the properties delinquent on December 1, 1931 went to sale. In Sullivan County 18 per cent of the properties on which interest was charged went to sale. In each case the percentage was nearly double that of 1929.

TABLE 9. *Number of properties sold as per cent of properties advertised by counties, and the year of sale, 1929 – 1932.*

	1929	1930	1931	1932
Belknap	73	59	91	51
Carroll	100	69	85	45
Cheshire	45	35	58	46
Coos	46	42	51	61
Grafton	51	53	61	63
Hillsboro	50	70	92	54
Rockingham	79	77	66	69
Strafford	37	35	45	52
Eight counties	55	56	67	57
Merrimack*	11	12	17	20
Sullivan**	10	12	15	18

* Per cent of properties delinquent on December 1.
** Per cent of properties delinquent on date from which interest was charged.

Buyers and Redemptions

The buyers of tax delinquent lands may be either public or private. Approximately 86 per cent of the properties sold for taxes from 1929 through 1932 were bought by tax collectors for their respective towns, the remainder by private buyers. In some instances a private buyer made it a regular practice to buy these delinquent lands for the town, the town later taking tax title to them if not redeemed. Available records show that only 46.5 per cent of the delinquent properties sold during this period were ever redeemed. Undoubtedly many tax sales were redeemed but were not reported to the Register of Deeds. It is questionable whether towns are carrying so large a number of properties under tax title year after year without executing a tax-deed. The schedules showed only 45 tax deeds previous to 1932. During this year, as a result of new legislation, there were 29 executed, while in 1933 the number jumped to 90 in approximately two-thirds of the towns.

Summary and Conclusions

The officials of many towns have been found to be negligent in the administration of tax laws. Irregularities in local practices with respect to the collection of taxes, more particularly those concerned with the advertisement and sale of delinquent properties, affect the comparability of the data assembled for this project. Further study is needed along this line to determine the exact extent and nature of these practices in order to recommend a corrective procedure with respect to a more uniform tax system. A uniform classification of the tax-delinquent properties would greatly assist the State Tax Commission in analyzing tax delinquency with respect to type of lands and class of people most affected. Definite steps should be taken to require a uniform procedure for advertising delinquent properties and to require that all tax books become the property of the respective towns.

Much of the tax delinquency and sale of rural real estate was of short duration, being repeatedly delinquent or sold for more than one year, but only for one year at a time. Thus the increase in each year's delinquency or sales over the previous year's figures are of major importance in that they more nearly represent a new delinquency and indicate the increasing burden of property taxes on rural people.

Tax advertisements, in 92 per cent of the towns in all counties except Merrimack and Sullivan, nearly doubled from 1928 to 1931, the peak year, mounting at the rate of $30,000 per year. There was a decline in 1932 from 1931, due more to a lower average tax rate than to less delinquent properties. Delinquency was apparently most severe in Coos, Grafton, Rockingham and Belknap Counties. Had the entire State been surveyed on the same basis, tax advertisements for the 1932 levy would have approximated 260,000 acres of land and involved $180,000 of tax money. More than three-fourths of the delinquent properties were classed as farm land with buildings. This class of lands comprised nearly four-fifths of the delinquent land area and nine-tenths of the total assessed value of all delinquent properties.

Two-thirds of the advertisements for the 1931 levy went to sale in 1932 as compared with about 56 per cent for other years, further distinguishing 1931 as an especially burdensome year. The value of tax sales for all counties in 1932 were 232 per cent of those in 1929. This is further evidence that

tax sales were increasing proportionately faster than tax advertisements, and that a smaller percentage of notices were being discharged before sale. Tax sales in the state as a whole no doubt exceeded 172,000 acres of rural lands and involved nearly $135,000 in value.

Although perhaps not yet alarming, the trends in tax advertisements and sales suggest potential dangers to the welfare of rural communities, and to the continuance of a property tax so burdensome on farm real estate and so inelastic to this class of tax payers.

Appendices

Appendices A and B show respectively the number of properties, acreage, and total money values for tax advertisements, and for tax sales. The reader is cautioned against misinterpreting these tables. The figures in no way indicate the relative importance of delinquency or sales as between counties. They show rather the trend or relative change from one year to another for each county and for all counties. In each case they represent only the towns included in this survey.

APPENDIX A

Tax advertisements of rural farm lands in eight New Hampshire counties by year of levy, 1928 – 1932.

County	1928	1929	1930	1931	1932
	Number of properties				
Belknap	103	145	133	220	199
Carroll	53	89	125	155	142
Cheshire	93	116	144	189	265
Coos	208	197	242	342	352
Grafton	405	451	489	637	574
Hillsboro	174	210	259	414	361
Rockingham	149	204	231	325	382
Strafford	139	112	120	256	196
Eight counties	1,324	1,524	1,743	2,538	2,471
	Acreage for 93 per cent of properties				
Belknap	6,948	11,428	11,603	18,174	16,705
Carroll	2,044	3,783	5,422	8,431	14,072
Cheshire	6,790	10,172	12,854	20,140	22,879
Coos	17,129	17,705	19,150	31,973	38,768
Grafton	47,346	56,298	57,137	85,926	73,040
Hillsboro	9,310	12,197	15,158	34,766	23,377
Rockingham	7,339	7,956	9,552	13,583	15,904
Strafford	7,016	6,186	5,005	15,650	11,200
Eight counties	103,922	125,725	135,881	228,643	215,945
	Value of delinquent taxes (dollars)				
Belknap	5,215	8,350	7,440	12,537	9,775
Carroll	2,258	4,213	7,217	10,912	9,417
Cheshire	6,595	9,933	9,273	16,397	14,390
Coos	13,439	16,034	16,888	25,136	22,001
Grafton	25,814	24,673	34,479	51,823	38,262
Hillsboro	8,635	10,385	14,231	27,076	20,013
Rockingham	14,864	14,767	16,475	23,815	28,074
Strafford	4,776	4,427	3,685	8,787	6,355
Eight counties	81,596	92,782	109,688	176,483	148,287

APPENDIX B

Tax sales of rural farm lands in New Hampshire by counties and year of sale, 1929 – 1932.

County	1929	1930	1931	1932
		Number of properties		
Belknap	75	86	121	111
Carroll	54	61	106	69
Cheshire	42	40	83	86
Coos	96	82	123	208
Grafton	207	239	298	401
Hillsboro	87	147	237	225
Merrimack	93	101	157	174
Rockingham	117	157	153	224
Strafford	52	39	54	134
Sullivan	45	49	76	109
All counties	868	1,001	1,408	1,741
		Acreage of properties sold		
Belknap	5,623	7,444	10,485	9,950
Carroll	2,001	3,224	5,097	3,526
Cheshire	3,922	3,878	7,994	10,581
Coos	6,965	4,766	13,136	19,045
Grafton	27,293	35,846	39,508	54,008
Hillsboro	5,317	8,322	14,694	13,848
Merrimack	5,592	6,422	15,950	17,032
Rockingham	4,977	5,859	4,493	9,295
Strafford	3,062	4,564	2,850	8,954
Sullivan	5,834	4,320	9,013	12,668
All counties	70,586	84,645	123,220	158,907
		Value of sales		
Belknap	4,874	5,635	7,792	5,707
Carroll	2,370	2,878	8,486	4,604
Cheshire	2,698	3,485	5,939	8,842
Coos	5,740	4,058	8,380	14,984
Grafton	13,114	17,488	23,244	33,952
Hillsboro	5,452	8,866	16,200	13,207
Merrimack	3,542	8,095	9,409	14,456
Rockingham	10,913	11,923	12,269	15,489
Strafford	1,959	1,736	1,917	4,971
Sullivan	2,669	2,631	5,290	7,579
All counties	53,331	66,795	98,926	123,791

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